

STARKE COUNTY, INDIANA

PROPOSAL AND SPECIFICATIONS

FOR THE

2007 ANNUAL ADJUSTMENT

CONTRACT



PREPARED AND PRESENTED BY

PROPERTY SYSTEMS CO.
120 EAST MULBERRY, SUITE 208
KOKOMO, IN 46901

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**STARKE COUNTY, INDIANA
TRENDING CONTRACT**

1.0 SCOPE OF SERVICES

Property Systems Co., LLC, (Company) a professional appraisal firm, proposes to provide the Assessors of Starke County, Indiana (Assessor) the services of its experienced and qualified staff to:

- Determine the validity of all sales disclosure forms for properties sold during 2005 and 2006.
- Produce a sales ratio study to derive and substantiate the trending factors that are to be used to adjust property values effective for the 2007 tax year pursuant to IC 6-1.1-4-17 to 18.5 and according to all rules and regulations set forth in article 50 IAC 21.
- Provide complete updated parcel characteristics and assessment data in a manner and form that meets the data export and transmission requirements of the legislative services agency and the Department of Local Government Finance.
- Provide technical assistance in the application and integration of the new factors and any necessary neighborhood changes into the CAMA system.

The services to be provided under the terms of this proposal shall encompass the following classes of real property:

- Residential
- Agricultural
- Commercial
- Industrial
- Public Utilities
- Exempt

It is specifically understood that the Company agrees to provide the services and perform the work proposed herein in a professional manner that will promote client, taxpayer and public confidence and support; and in accordance with

- all applicable sections of the Indiana Revised Code
- recognized professional appraisal standards, methods and techniques

It is further understood that all work proposed herein shall be performed under the direction of the designated contract representative.

The services to be rendered under this contract are to be completed in time to use the adjusted values of the real property for the 2007 effective tax year, payable 2008.

Under the terms of this proposal, the Company is not responsible for notifying the taxpayers as to changes in assessed valuation.

2.0 TRENDING AND ADJUSTMENTS

2.1 Sales Verification/Validation

The Company shall examine and determine the validity of all 2005 & 2006 sales disclosures, including field inspections as necessary.

2.2 Sales Ratio Study

The Company shall produce a ratio study to derive separate Land & Improvement trending factors for each neighborhood, and/or property type, to reflect the valuation date of January 1, 2006.

2.3 P.T.A.B.O.A. Review

If required, the Company shall assist the Assessors in presenting any proposed changes and supporting data before the Property Tax Assessment Board Of Appeals for approval.

2.4 Application of Trending Factors

The Company shall assist in the application and integration of the new Land Trending Factors & Neighborhood (Improvement factors) into the CAMA system.

2.5 Support Of Values

A responsible representative of the Company shall be present, upon request, at the official meetings of the Property Tax Assessment Board Of Appeals (PTABOA), or for informal hearings, to assist in the settlement of complaints regarding new valuations resulting from the new Land Valuation and Trending Factors. Persons shall be billed at a per diem rate of \$350.00 per day.

2.6 Appraisal Services Beyond the Property Tax Assessment Board Of Appeals

If an assessed value recommended by the Company is appealed beyond the PTABOA, a responsible representative of the Company shall, upon timely request of the Contract Representative, appear at any scheduled hearing. The Company shall submit a field claim for payment on a per diem basis of \$450.00 per day plus expenses. Per diem shall include necessary and office preparations, travel and waiting time, preliminary meetings and active hearing time. Payment shall be made to the Company within thirty (30) days of submission of claims.

3.0 CONDITIONS AND TERMS

3.1 Direction of the Program

It is understood that all work performed under the terms of this proposal shall be under the direction of the Contract Representative as designated by the Assessors, and as such shall have the right of final approval of all personnel, procedures, techniques and related forms.

3.2 Relationship of Parties

The relationship of the Company to the Client shall be that of an independent contractor and no principal-agent or employer-employee relationship is created with this agreement. The Company shall not subcontract any work under contract without written approval of the Contract Representative.

3.0 CONDITIONS AND TERMS (cont'd)

3.3 County/Township Responsibilities

It is understood that the County shall provide the following to the Company:

- 1) Copies of all sales disclosures for 2005 and 2006.
- 2) Access to the CAMA system during normal working hours for the duration of the project.
- 3) Copies of property record cards, updated maps and any other data required to perform the work proposed herein.
- 4) A furnished working space conveniently located to the Assessor's office and suitable for administering and conducting all of the work required in connection with the program as specified herein. Said office space shall be retained by the Company for the duration of the program described herein, and all expenses and liabilities resulting directly there from shall be incurred by the County without any obligation to the Company.

It is understood that the County shall be responsible for printing and mailing all required (form 11) notifications generated due the trending program.

3.4 Company Responsibilities

It is understood that the Company shall provide the entire appraisal staff and clerical personnel required to perform the work proposed herein. It is further understood that the Company agrees to assign to the project only the personnel who meet the qualifications and experience requirements set forth by the Assessors.

The Company agrees to commence the work proposed herein within thirty (30) working days, and to prosecute the same without interruption until its completion on or before July 31, 2007.

The Company shall pay \$200.00 for each business day following the completion date that all work under this contract has not been completed. Any amounts owing under this paragraph may be deducted from remaining payments made to the Company.

The Company shall submit written quarterly reports summarizing the progress of work completed under this contract to the Contract Representative.

The Company shall provide all sales ratio reports developed in the trending program to the County in electronic and printed form. The Company will generate the final countywide sales ratio report (from the CAMA system) and any other results of the trending program that are specifically required by the Department of Local Government Finance.

The Company shall provide for the creation and transmission of real property assessment data in the form that meets the data export and transmission requirements of the legislative services agency and the division of data analysis of the Department of Local Government Finance. The Company shall provide to the legislative service agencies and the Department of Local Government Finance unrestricted access to the work produced under this contract.

The Company shall carry Public Liability and Workman's Compensation Insurance and shall save the County and its officers harmless from all claims, demands, payments, suits, actions, recoveries, judgments of every kind and description brought or recovered against the County by reason of any act or omission of the Company, its agents or employees in the execution of work.

3.0 CONDITIONS AND TERMS (cont'd)

3.5 Methods and Terms of Compensation

The Company Shall submit monthly invoices based upon the corresponding portion of the work completed during each month. Payment shall be made to the Company within (30) days of the invoice billing date once approved by the County's Contract Representative.

3.6 Additional Services

Any additional appraisal services regarding Annual Adjustments, shall be executed at a per diem fee basis as required by the Assessors and supplied by the Company. The Company per diem charges shall be \$400.00 plus expenses per day.

3.7 Amendment to Final Agreement

No amendment or modification of the terms or conditions of this Agreement shall be effective without first, the mutual consent of the Townships and the County.

4.0 FORCE MAJEURE

4.1 Liability

Neither party shall be liable for delays or performance failures resulting from and caused by circumstances beyond the party's control and without the fault or negligence of the non-performing party. Such circumstances shall include acts of God, acts of war, epidemics, communication line failure, power failures, earthquakes, and other similar disasters.

5.0 MAINTAINING A DRUG-FREE WORKPLACE

5.1 Covenants

The Company hereby covenants and agrees to make a good faith effort to provide and maintain during the term of this Contract a drug-free workplace, and that it will give written notice to the Assessors within ten (10) days after receiving actual notice that an employee of the Contractor has been convicted of a criminal drug violation occurring in the Contractors workplace.

5.2 Drug-Free Certification

In a additions to the provisions of subparagraph 5.1 above, if the total contract amount set forth in this Contract is in excess of \$25,000, the Contractor further agrees that this Agreement is expressly subject to the terms, conditions and representations contained in the Drug-Free Workplace Certification executed by the Contractor in conjunction with this Contract and which is Appended as an attachment to this Agreement.

5.3 Violation Of Terms

It is further expressly agreed that the failure of the Contractor to in good faith comply with the terms of subparagraph 5.1 above, or falsifying or otherwise violating the terms of the certification referenced in subparagraph 5.2 above shall constitute a material breach of the Contract, and shall entitle the Assessors to impose sanctions against the Contractor including, but not limited to, suspension of contract payments, termination of this contract and/or debarment of the Contractor from doing further business with the County, for up to three (3) years.

STARKE COUNTY ASSESSORS
PROPOSED PROFESSIONAL APPRAISAL SERVICES
AGREEMENT

THIS AGREEMENT made this 4th day of Dec, 2006, by and between the STARKE COUNTY ASSESSORS, within the County of Starke, State of Indiana, hereinafter referred to as "the Assessors",

AND

PROPERTY SYSTEMS CO., LLC of Kokomo, Indiana, an Indiana Limited Liability Corporation, hereinafter referred to as "the Company";

WITNESSETH

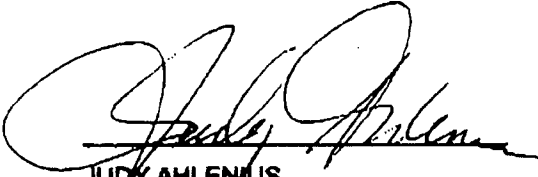

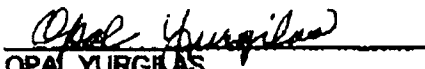


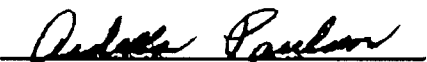
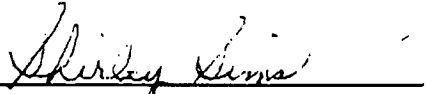
WHEREAS, the Company has herewith submitted its PROPOSAL FOR THE ANNUAL TRENDING ADJUSTMENT SERVICES, hereinafter referred to as the "Proposal", and by such reference, considered incorporated within this Agreement as if fully rewritten therein, to furnish the services of its experienced and qualified appraisers and staff to provide certain services relative to annual trending adjustments and in accordance with the provisions of the proposed attached specifications, and all applicable Rules, Regulations, and Requirements of the Department of Local Government Finance.

NOW THEREFORE, it is hereby agreed that the Company shall do and perform said services in accordance with the Specifications and subject to the Conditions and Terms set forth in the "Proposal", for which the Company shall receive as compensation, a fee in the amount of Thirty Nine Thousand Eight Hundred and Forty Dollars (\$39,840.00).

IN WITNESS WHEREOF, the Township Assessors of Starke County, Indiana, acting in behalf of the individual townships, and an authorized representative of Property Systems Co., have signed the Agreement on the day and year first above written.

Executed in Duplicate

ASSESSORS OF STARKE COUNTY, INDIANA


JUDY AHLENIUS
California Township
WARREN ALLEN
Oregon Township
OPAL YURGILAS
Center Township
SHERRY PAULSEN
Railroad Township
JUDY GEARHART
Davis Township
MICHELLE KEMBLE
Washington Township
MIKE RISNER
Jackson Township
CLARA SCHACHT
Wayne Township
ARDELLA PAULSEN
North Bend Township
SHIRLEY SIMS
Starke County Assessor
AUTHORIZED REPRESENTATIVE
Property Systems Co.

Certification Regarding Drug-Free Workplace Requirements

The Contractor certifies that it will provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing a drug-free awareness program to inform employees about --
 - (1) The dangers of drug abuse in the workplace;
 - (2) The Company's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Making it a requirement that each employee to be engaged in the performance of the contacted services be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment, the employee will --
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
- (e) Notifying the County within ten days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction;
- (f) Taking one of the following actions, within 30 days of receiving notice under subparagraph (d) (2), with respect to any employee who is so convicted --
 - (1) Taking appropriate personnel action against such an employee, up to and including termination; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement, or other appropriate agency;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

PROPERTY SYSTEMS Co.

Contractor Name

JOHN W. VIVEIROS

Name and Title of Authorized Representative

Signature

John W. Viveiros

Date

11/20/06